

1501 South Capitol Way Suite 301 Olympia, Washington 98501 Tel (206) 943 5350

May 5, 1997

The Honorable Gary Locke
Office of the Governor
2<sup>nd</sup> Floor, Legislative Building
Olympia, WA 98504-0002

Dear Governor Locke:

I am writing to encourage you to support an important piece of legislation: The Environmental Excellence Program Agreements bill, E2SHB 1866.

E2SHB 1866 passed both Houses of our legislature by sizable, bipartisan margins. The bill will allow companies and local governments that produce better overall environmental results, to obtain more flexible approaches to environmental regulations through incentive-based approaches. It provides the necessary tools to permit state and local agencies to approve innovative, alternative regulatory solutions and requires that the participating entities meet or exceed existing standards.

The key words are meet or exceed. The environmental protections that afford all of us the quality of life we so appreciate in the Northwest, cannot and will not change under this bill. The administering agencies will have full authority to decide whether or not to proceed with any given project. If the lead agency decides a company's proposal doesn't meet the test of "excellence," the agency simply rejects the proposal. That decision is final and cannot be appealed.

It is important to understand the roots of this legislation. It is based on a federal EPA program called Project XL (for "eXcellence & Leadership"), proposed and championed by the Clinton Administration and Vice President Al Gore. Project XL is designed to encourage regulatory reinvention and improved environmental performance. Project XL is a cornerstone of the Administration's efforts to reinvent government, to reduce unnecessary red tape, and to emphasize environmental performance. Through it's Performance Partnership Agreements, EPA has encouraged states to find creative alternatives as well.

Weyerhaeuser Company has experience with Project XL. In January, 1997, Weyerhaeuser, the state of Georgia, and EPA capped a year of work and signed a Project XL Final Project Agreement for Weyerhaeuser's Flint River Operations in Oglethorpe, Georgia. One of our key learnings was that the participating agencies would have been more comfortable working within an established process with clear legislative support. E2SHB 1866 would assure that agencies in Washington State, and participating companies or municipalities, would have legislative authority and a legal basis for their actions.

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In March, EPA Deputy Administrator Fred Hansen convened the agency's Environmental Futures Roundtable. I was fortunate enough to take part at the Deputy Administrator's invitation. TheRoundtable discussions centered around critical trends that are shaping our future and the environmental implications of these drivers of change. The direction needed to meet the environmental challenges of the next century include practical, incentive-based programs, encouragement for innovative technological solutions, community stakeholder involvement, and regulatory flexibility addressed to local circumstances. These directions will all be facilitated by the Environmental Excellence bill. I urge you to sign this innovative piece of legislation.

Thank you for your consideration of the bill. If you have any questions, please feel free to call me at (253) 924-3943.

Sincerely,

Mack L. Hogans

Senior Vice President

Corporate Affairs